



U.S. DEPARTMENT OF ENERGY  
Office of Electricity Delivery and Energy Reliability  
Infrastructure Security and Energy Restoration

# ENERGY ASSURANCE DAILY

Friday Evening, July 25, 2008

## Electricity

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### **Update: 133,000 AEP Customers Remain Without Power in Texas as Dolly Dissipates**

As of 12:00 PM EDT, July 25, AEP Texas reported 132,666 customers without power in the Rio Grande Valley and Laredo area, down from a company peak of 205,000 customers on the morning of July 24. Hurricane Dolly made landfall in southern Texas on July 23. The company expects to have power restored to at least 95 percent of customers in the cities of Edinburg, McAllen, Mission and Rio Grande City by Sunday night, July 27. Damage assessments for the east side of the Rio Grande Valley are currently being completed. Restoration time estimates for cities in this area will be released later on July 25. Twenty two of the company's high-voltage power lines were reported shut as of late July 24: two 345 kV lines, twelve 138 kV lines, and eight 69-kV lines.

<http://www.aeptexas.com/news/outages/viewstorm.asp?stormID=828>

Reuters, 11:19 July 25, 2008

### **ERCOT Says Transmission Outages Pose No Reliability Problems for Texas Grid Issued Emergency Notice for Brownsville Area July 24**

According to the Electricity Reliability Council of Texas (ERCOT), there were four 345 kV power line down across the storm damage area on July 24 but the outages posed no reliability problems. However, ERCOT issued an emergency notice for the Brownsville area; saying more than 50,000 customers could lose power if the one remaining transmission line serving the area shuts down. On the afternoon of July 24, Brownsville Public Utilities Board and Magic Valley Electric Cooperative both implemented rolling blackouts in intervals between 15 minutes and one hour in order to prevent system failure. As of this morning, some 4,000 Brownsville PUB customers were without power.

Reuters, 11:19 July 25, 2008

[http://www.brownsvilleherald.com/news/power\\_88638\\_article.html/customers\\_thursday.html](http://www.brownsvilleherald.com/news/power_88638_article.html/customers_thursday.html)

[http://www.kgbt4.com/news/news\\_story.aspx?id=163954](http://www.kgbt4.com/news/news_story.aspx?id=163954)

<http://www.bizjournals.com/sanantonio/stories/2008/07/21/daily39.html>

### **One of CPS Energy's 415 MW J.T. Deely Coal-fired Units in Texas Trips Offline July 23**

According to a filing with Texas regulators, the unit tripped offline due to "loss of the UPS Power Supply to the Baghouse PLC."

Bloomberg News, 11:18 July 25, 2008

### **Update: OPG's 900 MW Darlington Nuke Unit in Ontario Restarts July 25**

The unit shut down on July 23 after a safety sensor was "inadvertently activated" during routine maintenance.

Bloomberg News, 11:42 July 25, 2008

### **Update: CDWR's Devil Canyon Hydro Units 1-4 in California Return to Service by July 24**

According to the California Independent System Operator, the units, which have a combined capacity of 237 MW, returned from an unplanned curtailment of 116 MW by July 24.

<http://www.caiso.com/unitstatus/data/unitstatus200807241515.html>

### **Dominion to Continue to Operate 745 MW Salem Harbor Coal/Oil-fired Power Plant in Massachusetts Despite Emissions Restrictions**

Dominion announced July 24 that it would continue to operate the Salem Harbor Power Station in compliance with strict environmental regulations. The company is confident that it can economically meet the requirements of stringent new Massachusetts and regional environmental laws that will take effect in the next few years.

<http://www.dom.com/news/elec2008/pr0724.jsp>

## ***Petroleum***

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### **Update: Oil Companies Restoring Gulf Oil and Natural Gas Production after Dolly Passes**

On July 25, ExxonMobil and Chevron said they were restoring offshore production that was shut in as Hurricane Dolly approached the western Gulf of Mexico. Earlier this week Exxon reported that it had shut 12,000 b/d of crude oil and 100 MMcf/d of natural gas production. Chevron had reported that it had reduced production by a minimal amount. Chevron expects to completely restore production sometime July 25. Exxon reported no damage to its facilities due to the storm. Shell announced July 25 that it is continuing to redeploy personnel in the Gulf of Mexico and had restarted gas production at its onshore South Texas fields after Hurricane Dolly passed the area. Shell said previously that the evacuations had caused no impact to production in the Gulf of Mexico.

Reuters, 12:35 July 25, 2008

Bloomberg News, 15:11 July 25, 2008

### **Update: Valero Restoring Output at 295,000 b/d Port Arthur, Texas Refinery July 25**

The company expects to restore the refinery to planned production on July 25. Production at the refinery was cut by 10-20 percent beginning on July 23 due to shipping interruptions along the Gulf of Mexico during Hurricane Dolly.

<http://uk.reuters.com/article/rbssEnergyNews/idUKN2528612420080725>

### **Update: Valero to Restore Output at 130,000 b/d Houston, Texas Refinery over Weekend**

The company expects to restore crude throughput at the refinery over the weekend. Production at the refinery was cut by 10-20 percent beginning on July 23 due to shipping interruptions along the Gulf of Mexico during Hurricane Dolly.

<http://uk.reuters.com/article/rbssEnergyNews/idUKN2528612420080725>

### **Update: Operations Normal at Sunoco's 152,000 b/d Eagle Point Refinery in New Jersey July 24**

According to Sunoco, the refinery was running normally on July 24 after a partial power outage, which temporarily shut a catalytic reforming unit.

Bloomberg News, 18:05 July 24, 2008

### **Power Surge Trips Three Units at Irving's 300,000 b/d St. John, New Brunswick Refinery July 24**

According to a local media report, a power surge knocked three processing units offline at the refinery. The power surge was related to a lightning storm that affected power transmission.

Reuters, 08:15 July 25, 2008

### **Unit Malfunction Hits ConocoPhillips' 250,000 b/d Linden, New Jersey Refinery July 20**

Bloomberg News, 11:32 July 25, 2008

## ***Natural Gas***

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### **Update: Enbridge Lifts Force Majeure on Stingray Pipeline in Gulf of Mexico July 25**

Stingray Compressor Station 509 has returned to service and operating conditions on the 1.12 Bcf/d Stingray pipeline are returning to normal. The Barracuda delivery point is now operational, and Stingray will accept nominations as usual for this point. On July 22, Enbridge evacuated and shut the Stingray Compressor Station 509 and allowed gas to free flow due to severe weather conditions from Hurricane Dolly. On July 22, Enbridge also suspended nominations to its Barracuda plant due to low pressures resulting in the inability to deliver gas to the plant.

<http://www.enbridgeus.com/Reports/reportloconce.aspx?pl=1&rptSite=1&rpt=%2fnotice%2fdefault.asp%3fpipe%3dstry%23critical&tmi=1036&tmt=5>

### **Update: Force Majeure Lifted on High Island Offshore System in Gulf of Mexico July 25**

Normal flow of production and corresponding nominations will be accepted on the 190 MMcf/d High Island Offshore System (HIOS). On July 22, Enterprise declared force majeure on HIOS due to wind and sea conditions resulting from Tropical Storm Dolly, which caused many of the operators of platforms connected to the HIOS system to cease production operations and evacuate all personnel. The resulting reduction in system supply available to the HIOS system severely limited HIOS' ability to meet the nominated deliveries to the downstream pipelines.

<http://ebb.starwebgas.com/ebbSTG/EbbMain.asp?sPipelineCode=HIOS>

## **Other News**

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### **Update: Corpus Christi Ship Channel Resumes Operations after Dolly July 25**

According to the Corpus Christi ship pilots association, the Corpus Christi, Texas, ship channel resumed operations during the morning of Friday, July 25. Traffic had been suspended since Tuesday, July 22, due to Hurricane Dolly. According to the U.S. Coast Guard, operations were normal along the channel on Friday morning and a backlog of 60 ships waiting to transit the channel had been cleared. Three refineries located in Corpus Christi have not reported problems due to the closure. Yesterday the Houston and Galveston/Texas City ship channels resumed normal operations.

<http://www.guardian.co.uk/business/feedarticle/7673809>

### **Update: Mississippi River Reopens to Limited Traffic after Fuel Spill July 25**

On July 25, according to the U.S. Coast Guard, limited ship traffic was allowed to resume on the Mississippi River reopening a 97 mile stretch of the river closed since July 23 when a barge accident involving a 419,000 gallon fuel spill. The spill had halted traffic from New Orleans to the river's mouth at the Gulf of Mexico. Now vessels are being allowed to transit the river on a case by case basis depending on need. A Coast Guard captain said that four vessels were being allowed to move on the river channel on July 24. At least two of the vessels were going to and from the Exxon Mobil's 192,760 b/d refinery in Chalmette, Louisiana. Oil, petroleum products, ethanol and coal transit the Mississippi River.

Reuters, 10:48 July 25, 2008

## **Energy Prices**

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U.S. Oil and Gas Prices			
July 25, 2008			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b>			
<b>West Texas Intermediate U.S.</b>	122.59	130.65	75.74
\$/Barrel			
<b>NATURAL GAS</b>			
<b>Henry Hub</b>	9.34	11.43	5.56
\$/Million Btu			

Source: Reuters

## **Energy Notes**

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### **Update: 12,788 MidAmerican Customers Remain Without Power in Iowa July 25**

<http://www.midamericanenergy.com/storm/outageWatch/MECOutageWatch.aspx>

### **NRC Panel Denies Challenge to Oyster Creek Nuclear Unit License Renewal July 24**

<http://www.platts.com/Nuclear/News/6927145.xml?p=Nuclear/News&sub=Nuclear>

**Stream Dryer at Vermont Yankee Nuclear Unit Withstanding Additional Stress from 20 Percent Power Increase – Entergy**

<http://www.rutlandherald.com/apps/pbcs.dll/article?AID=/20080724/NEWS02/807240400/1003/NEWS02>

**Eleven Greenpeace Activists Arrested for Trespassing at Syncrude Canada’s Aurora Oil Sands Site July 24**

<http://www.cbc.ca/canada/edmonton/story/2008/07/24/greenpeace-ducks.html?ref=rss>

**Refiners Facing Greenhouse Gas Challenges**

[http://www.downstreamtoday.com/News/Articles/200807/Refiners\\_Face\\_GHG\\_Challenges\\_12042.aspx](http://www.downstreamtoday.com/News/Articles/200807/Refiners_Face_GHG_Challenges_12042.aspx)

**Brazil Plans to Begin 50,000-100,000 b/d Pilot Project on Offshore Tupi Oil Field in 2011**

[http://www.rigzone.com/news/article.asp?a\\_id=64639](http://www.rigzone.com/news/article.asp?a_id=64639)

**TNK-BP Chief Executive Leaves Russia Because of ‘Sustained Harassment’ Amid Shareholder Dispute**

<http://www.iht.com/articles/2008/07/24/business/bp.php>

**Alaska’s Main Cities at ‘Crossroads’ in Electricity Needs – Study**

<http://www.platts.com/Electric%20Power/News/6926716.xml?p=Electric%20Power/News&sub=Electric%20Power>

## **Links**

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***This Week in Petroleum*** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

***Weekly Petroleum Status Report*** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

### **ENERGY ASSURANCE DAILY**

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<http://www.oe.netl.doe.gov/index.aspx>.

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